

## **Office of the Maine Attorney General**

### **Maine's Unsolved Homicide Unit**

Maine has approximately 120 unsolved homicide cases, suspicious death cases and missing person cases in which foul play is suspected. Statewide, most of these cases are investigated by the Major Crimes Units of the Maine State Police; however, Portland and Bangor Police Departments investigate homicides occurring within their jurisdictions. The detectives from these three agencies investigate all major crimes, including murder, sexual assault and child abuse. Despite the significant demands placed upon them and the lack of dedicated time to focus on unsolved homicides, these detectives, working closely with prosecutors from the Office of the Attorney General, scientists from the Crime Laboratory and doctors from the Office of Chief Medical Examiner, have solved some of Maine's oldest and most challenging homicide cases. One example is the 2014 conviction of Gary Raub for the 1976 murder of 70 year old Blanche Kimball in her home.

In June, 2015, the legislature recognized the need for additional, dedicated resources devoted to the investigation of unsolved homicides. It created Maine's first unsolved homicide unit and funded positions for two Maine State Police detectives and one forensic chemist to work exclusively on Maine State Police unsolved homicide cases in coordination with a dedicated prosecutor in the Office of the Attorney General.

The Maine State Police and the Office of the Attorney General are working diligently to establish an operational structure, hire experienced personnel and enact administrative rules that will govern the new unit's operation. These new resources should create new momentum to investigate and identify killers and bring them to justice. At the same time, we acknowledge that we cannot simply task two detectives with the sole responsibility of investigating each Maine State Police unsolved homicide case. There are too many cases dispersed over too large an area for two detectives to investigate all of them at any one time. Part of our mission therefore is to construct a unit which applies these additional investigative resources in the most effective manner possible.

We will update this page as Maine's first unsolved homicide unit gains shape and momentum.

If you have information pertaining to any of the unsolved homicides in this state, please provide that information to the investigating law enforcement agency:

**Bangor Police Department** - 207-947-7382 ext. # 6

**Maine State Police- Major Crimes Unit- South** (covering Cumberland, Androscoggin, York, Oxford and Franklin counties). Submit tips by going to:

[http://www.maine.gov/dps/msp/criminal\\_investigation/report\\_crime/cid1.html](http://www.maine.gov/dps/msp/criminal_investigation/report_crime/cid1.html)

**Maine State Police- Major Crimes Unit- North** (covering Aroostook, Hancock, Kennebec, Knox, Penobscot, Piscataquis, Lincoln, Sagadahoc, Somerset Waldo, and Washington counties). Submits tips by going to: [http://www.maine.gov/dps/msp/criminal\\_investigation/report\\_crime/cid2.html](http://www.maine.gov/dps/msp/criminal_investigation/report_crime/cid2.html)

**Portland Police Department** - Submit tips by going to: [www.portland-police.com](http://www.portland-police.com) and clicking Submit an Anonymous Crime Tip. Or call the tip line: @ 207-874-8584.

## MAINE ANTI-HEROIN/OPIATE INITIATIVE

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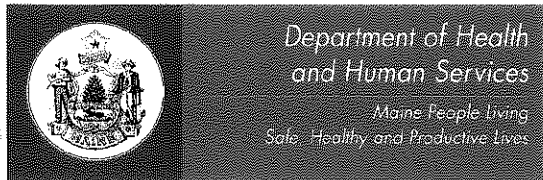
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November 5, 2015

To: Senator James M. Hamper, Chair  
Representative Margaret R. Rotundo, Chair  
Members of the Joint Standing Committee on Appropriations and Financial Affairs

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: Response to questions for November 5, 2015 interim meeting with AFA

1. Crisis RFP - Does the department have a backup plan or the ability to revert to the old system should the new system encounter service disruption as occurred when the transportation system was centralized?

**Response:** The Department does not anticipate experiencing service disruptions. By Maine law, these services are required to be competitively bid. Any transition to a new vendor/model for the crisis telephone response system will include all manner of contingency plans to ensure access to the crisis hotline and critical crisis services.

2. Crisis RFP - Does the RFP reflect on what the Department knows to be "best practices" and what specific areas of the RFP reflect that understanding?

**Response:** Yes. Crisis Mobile/ Residential RFP Part II, A-1, B-2 and B-5 reflect the Department's understanding of best practice for Crisis and Peer Services. Telephone Response RFP Part II, A-1 and B-3 reflects the Department's understanding of best practice for Telephone Response.

3. Crisis RFP - From the Department's point of view, what circumstances would or should trigger a notification to the legislature that an RFP of this size of scope will be issued?

**Response:** All Requests for Proposals are advertised for a minimum of three consecutive days in the Kennebec Journal. All Requests for Proposals are also published by the Division of Purchases (<http://www.maine.gov/purchases/venbid/rfp.shtml>) and DHHS (<http://www.maine.gov/dhhs/rfp/>) until such time as proposals are submitted by Bidders.

The above referenced websites are available for viewing by the public and any DHHS RFP can be downloaded at any time prior to bids to being received.

4. What is the status of the Section rate studies required by PL 2015 c. 267 Part AA?

**Response:** The Department has initiated Section 65 and Section 28 rate studies and has engaged provider advisory groups in granular, service-level discussions. Next steps include: (1) circulation of a draft provider survey to the advisory groups for each section of policy; (2) incorporation of provider feedback into the draft; (3) circulation of the final survey to each provider of Section 28 and 65 services; and (4) creation of draft rate models utilizing survey feedback and associated research.

5. What is the status of the implementation of the lead standard changes contained in PL 2015 c. 267 Part LLLL?

**Response:** The Department is in the rulemaking process for the new lead inspection and mitigation regulations.

6. PL 2015 c. 267 also includes a 4% increase for PNMI's. We have been told that the increase has only been applied to Appendix C of Section 97 of the MaineCare Benefits Manual. Why is it not being applied to Appendices C, E and F as was stated in the Department's testimony on the Change Package (May 7, 2015)?

**Response:** The rumor cited is not accurate. Appendix C and F both received a direct 4% increase to their rates. Appendix E is reimbursed differently – it is a cost based reimbursement model in which providers submit their annual budget and the rate is set to reflect the costs noted in their proposed budget. When costs change, the Appendix E provider has the option to send an updated budget to the Department for consideration of a rate increase. Over the past two fiscal years, Appendix E providers have received an average increase of more than 4.5%.

7. In response to a previous question as to whether the Department intends to accept recently available federal grant funding for colorectal screening, the Department responded that it is in receipt of a notice of award for a grant. Does the Department intend to accept the grant funding?

**Response:** Acceptance and use of these funds is still under consideration.



STATE OF MAINE  
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES  
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AUGUSTA, MAINE 04333-0078

SERVING THE PUBLIC AND DELIVERING ESSENTIAL SERVICES TO STATE GOVERNMENT

PAUL R. LEPAGE  
GOVERNOR

RICHARD W. ROSEN  
COMMISSIONER

**Response to questions posed by the Appropriations and Financial Affairs Committee regarding the Department of Administrative and Financial Services' plans to seek leased space in the City of Augusta through a competitive public procurement process.**

**1. The RFP refers to 20 "divisions." Could you please identify those?**

There are a number of agencies presently occupying leased and state-owned space that could occupy a consolidated facility. The exact occupants of this consolidated facility will depend upon the lease agreements that the Department negotiates with incumbent property owners. As this committee knows, we proposed consolidating the Department of Health and Human Services (DHHS) into a single state-owned facility in the Augusta-area earlier this year.

**2. Should this project move forward, what current leased space would be abandoned, and what would the dollar savings be from abandonment of that space?**

The Department would be happy to answer this question if an award is made in response to RFP# 201505009. Until an award is made, however, it is impossible to calculate potential cost savings.

**3. The RFP limits proposals to a one mile radius of the Capitol. Why is this? There might be other viable sites, such as the old Statler Tissue site, which might be more cost-effective. Were those considered?**

The State would gain the most efficiency – both economically and operationally – by consolidating agencies close to the core of state government. There are a number of sites within the one-mile radius that could be identified and utilized by professional real estate developers. To date, planning has centered on the City of Augusta and the Capitol Complex, but if the scope were to expand beyond the one-mile radius, a cost-effective facility could just as easily be located in a surrounding community such as Gardiner, Waterville, or Winthrop. That approach is not being considered at this time.

**4. The RFP requires 1300 parking spaces. Apparently, the Augusta land-use ordinance only requires about half that amount. Why are so many spaces required in the RFP?**

The RFP approximates 1,400 employees as occupants of any building or campus proposed in response to our solicitation. Generally accepted space planning practices require parking for 80-85 percent of a facility's total planned occupants, with additional parking intended for use by the constituencies served by the occupying agencies, visitors, and other members of the public. We need only look at our current experience with state-occupied space on the West Side Campus, East Side Campus, and Commerce Center in Augusta to recognize that our current parking needs are not being met.

**5. Does the Department identify savings from consolidating "under one roof?" What savings are contemplated?**

By consolidating agencies within one building or campus there are efficiencies to be gained through daily operations – plowing, mowing, postal deliveries, reduced travel time for employees, improved communication among agencies – that would benefit both the State and Maine taxpayers. Our South Portland consolidation of DHHS and the Department of Labor is a great example of the improved service that can be delivered when agencies and divisions are brought together in the interest of making it easier for citizens to conduct their business with state government.



Received from Dept. of Labor  
via e-mail  
11-4-15 4:20 pm

Responses to AFA Committee on November 5, 2015

Regarding the severe cost containment efforts in the Division for the Blind and Visually Impaired:

**A. What is the scope and cause of the funding shortfall that led to the expenditure reductions?**

**Response:** DBVI's federal and state funding is out of synch with its spending in the Vocational Rehabilitation program, and the program has become reliant on discretionary grants to fill the gap, using funds that become available through federal re-allotment at the end of each Federal Fiscal Year, herein called the "reallotment grant". Since there are no guarantees that 1) these funds will be available in any given year, 2) what amounts will be available if they are available, or 3) whether DBVI will have the necessary state funds for the required match in order to be eligible for the grant, the Department cannot continue to base the Division's operating budget on reallotment grants as a sustainable solution to meeting the needs of our blind and visually impaired residents. Please see the attached budget snapshot. Lines 7 through 9 illustrate the length of time the base and reallotment funds have lasted (the Division has two years in which to use reallotment grant funds). The reallotment grants in prior years were drawn upon over more than 12 months; however, since the year FFY12, in which the Division was required to pay back wages using up most of its carry over funds (i.e., the balance of the reallotment grant from the two prior years), coupled with sequestration following in FFY13, each reallotment has been entirely used within fewer than 12 months to supplement the base grant to cover operating costs.

The chart below provides an estimated breakout of the revenue, expenditures and shortfall for FFY16 that prompted immediate action to reduce costs when the Commissioner's Office learned that DBVI would not be able to meet its payroll obligations to state employees in late September 2015 if a reallotment grant was not awarded in time to Maine DBVI:

Federal VR Grant	=	\$ 2,817,000
State Matching Funds	=	\$ 935,386
Total Revenue	=	\$ 3,752,386
Projected Expenditures FFY 2016*	=	\$ 4,771,804
Estimated Remaining FFY 2015 Federal Re-allotment	=	\$ 350,000
Pending SSA Reimbursement Funds	=	\$ 274,389

Estimated FFY 2016 Shortfall	=	(\$ 395,029)

\*Projection after \$130,417 reduction of Iris Network contract and \$154,300 in associated costs that do not directly provide services to DBVI clients.

To address these issues, the Department sees the freezing of vacancies and reassignment of staff as a short-term solution to ensure that the Division can continue to provide direct services to vulnerable blind and visually impaired individuals in the current fiscal year. The longer-term issues (see Questions D and E below) will be addressed as part of the State Plan development in conjunction with the SRC, as intended by the federal Rehabilitation Services Administration (RSA). As more individuals achieve their employment goals, the Department also expects to see increased reimbursements from the Social Security Administration (SSA); a consistent employment rate in the DBVI vocational rehabilitation program will provide supplemental revenue via the SSA reimbursements to the program on an ongoing and more predictable basis for budget purposes than reallocation grants. In addition, the Department has already changed internal accounting procedures to ensure that each grant is tracked separately so that expenditures can be better managed. See the attached October 8, 2015 document, "Realignment Plan" which outlines the proactive considerations the Department made in the freezing of the vacancies and reassignment of staff. ***Note that the "Realignment Plan" outlined the stop gap measures and that the true realignment is the development of the State Plan in conjunction with the SRC, as noted in the table at the bottom of that attachment.***

***Direct delivery of services to individuals with visual impairments remains the priority.***

**B. What does the Department see as its responsibility under Title 26 1416-D and how will this responsibility be fulfilled in light of the funding shortfalls and restructuring?**

**Response:** There is no Title 26 1416-D; the Department clarified that this question pertains to Title 26 1418-D Education of Blind Children. The Department will continue to fulfill all of its obligations to provide services to blind and visually impaired persons from birth to age 21 as specified in the statute. The DBVI funding shortfall is specifically within the Vocational Rehabilitation program, not the Education of Blind Children.

**C. What does the Department see as its responsibility to continue funding independent living services for the blind and visually impaired?**

**Response:** The Department will continue to meet its obligations in the provision of independent living services for people who are blind and visually impaired in Maine. In FFY 2016 the Department has a combined budget of \$225,000 in federal funds and \$383,233 in

state funds for these services. Approximately 80 percent of these funds are used to deliver services through a contract with the Iris Network. Consistent with State purchasing rules, these services are scheduled to go for bid through the Request for Proposals process in Spring 2016 for new contracts starting July 1, 2016.

**D. What input has the Department solicited and received from the State Rehabilitation Council and other providers about mitigating the funding shortfall.**

**Response:** On September 16, 2015, the Department attended a meeting of the State Rehabilitation Council and shared what information was available at that time about DBVI's fiscal situation (see Attachment SRC Question DBVI Responses) and solicited feedback. On October 8, 2015, the Department shared with the SRC the proposed outline of a stop-gap "Realignment Plan" (see Attachment DBVI Realignment Plan October 2015), which was subsequently discussed at length at a two-day meeting with the SRC on October 23–24, 2015.

The Department is limited in the outside advice that can be solicited or discussed regarding DBVI organizational restructuring that involves personnel. Assistance from the SRC and other providers have been solicited to provide input via newly formed workgroups (as a result of the October 23–24 meeting) regarding areas that will affect DBVI's performance, service delivery, and fiscal viability. These groups provide blind and visually impaired consumers with direct input on programs and services. These groups are: a) WIOA Pre-employment Transition Services (youth); b) Independent Living Services/WIOA Homemakers (including older blind; see the answer to Question E); and c) DBVI Realignment. Additionally, the DBVI SRC is forming a fiscal committee that will review budget information and advise DBVI at least quarterly. Both the Department and the SRC agreed that more frequent sharing of budget information will help the SRC be better placed to advise the Division and address its fiscal issues. The current vacancies/frozen positions will provide the SRC/DBVI working groups and consumers flexibility in recommending staffing and management structures to best deliver services to blind and visually impaired clients under the new State Plan and WIOA/RSA requirements (see Question E, below).

**E. When did the Department find out about the federal changes related to the Division for the Blind and Visually Impaired and the loss of funding?**

**Response:** Please see the attached document, "DBVI VR Grant Amounts and Budget Analysis." Federal sequestration in 2013 resulted in an \$89,931 federal funding reduction for DBVI that year, a reduction that has not been reinstated. About this time, a personnel reclassification request initiated a decade earlier was resolved, resulting in increased personnel costs, the

largest cost center, for the Division. The difference between FFY10 and FFY15 in federal base funding is \$166,067. The ongoing federal budget process using Continuing Resolutions (whereby the Division is essentially flat-funded based upon previous allocations, regardless of the state funds available for a larger federal “match”) has compounded the Division’s fiscal challenges.

More recently, the Department was alerted to **significant** pending changes for DBVI through the reauthorization of the federal Rehabilitation Act in the Workforce Innovation and Opportunity Act (WIOA) of 2014 and the release of proposed WIOA rules in April 2015. Although the final regulations will not likely be released until Spring 2016, ***the law requires that DBVI set aside 15 percent of its funding to serve students in transition from high school and disallows the use of Vocational Rehabilitation funding for individuals who have “Homemaker” vocational goals*** (meaning people who chose not to work outside of the home due to age, child rearing needs, or other reasons). Given Maine’s aging population, the demographics of DBVI VR clients—more than half of whom are aged 55 or older at application—and the fact that, in the last five years, more than 60 percent of individuals with successfully closed cases have been provided “homemaker” services to stay in their homes, this is of great concern to the Department. In other words, the new federal regulations will prevent the Division from using funds marked for youth or people seeking work to be used to keep people living independently in their homes. As mentioned in Question D, a working group with the SRC has been formed to address this issue with consumer input. The Department has also been in contact with DHHS to look at opportunities to maximize service delivery to this vulnerable population.

**F. What is the Administration doing to work with our congressional delegation to try to restore funding?**

**Response:** The Administration met with the congressional delegation in Spring 2015 and shared information on the potential impact of WIOA on the Vocational Rehabilitation program. Additionally, the Department has provided input regarding the proposed rules and is actively participating in national and state forum to prepare for full implementation of the new law.

DBVI	FFY10	FFY11	FFY12	FFY13†	FFY14*	FFY15
Basic grant award	2,983,979	2,966,736	2,956,098	2,866,167	2,810,652	2,817,912
Reallotment grant (discretionary)	560,000	380,000	500,000	486,150	1,628,305	534,771
Less establishment project (Immersion Center funding pass-through to the Iris Network)	-	-	-	-	(1,113,015)	-
Total	3,543,979	3,346,736	3,456,098	3,352,317	3,325,942	3,352,683
First draw date of basic grant	12/8/2009	2/16/2011	1/18/2012	1/15/2013	12/2/2013	12/10/2014
Last draw date of combined basic and reallotment grants	3/1/2011	1/18/2012	1/15/2013	12/2/2013	11/21/2014	11/18/2015 estimated
Duration - number of days combined basic and reallotment grants lasted in total	448	336	363	321	354	343
Avg expenditure per day	7,911	9,961	9,521	10,443	9,395	9,775
Basic grant number of days	377	298	310	274	299	288
Estimated last day w/out reallotment	12/20/2010	12/10/2011	11/23/2012	10/16/2013	9/27/2014	9/24/2015
Reallotment number of days	71	38	53	47	55	55
						based on avg daily exp
						based on avg daily exp, 2014 and 2015 did not cover FFY
						55 based on avg daily exp
**reclass payments		205,908.71	39,321.29			

†Sequestration started with the FFY13 grant. The FFY13 grant was almost \$90K (\$89,931) lower than the FFY12 grant.

\*FFY14 net reallotment = \$15,290

\*\*Reclass requests were submitted in 2001 and 2003 and were finally approved about a decade later. The budget initiatives to address the reclasses are included with this packet as a PDF. The amounts reflected are not exactly what was paid as the initiatives are estimates. Once approved, HR goes back and does exact calculations before processing for payment. The back payment of wages for the reclass came out of carryover and reallotment. Going forward, the reclass has resulted in increased personnel costs.

Level: Account Detail  
Yr 1 Final Approved Version  
Version: 2012-S01-LAB00

State of Maine  
Budget & Financial Management System

Date: 11/02/2015 16:25  
Report Id: BIEN - 0016  
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Changes - Appropriations/Allocations and Position Counts

Change Group: C Change Type: B Change Number: All Include: Yes One Time: Included

Part A Initiatives &  
Other FY 12

Part A Initiatives &  
Other FY 13

LAB00 DEPARTMENT OF LABOR

Change Package: C-B-12 Priority: Include: Yes

Description: Provides funding for approved position reclassifications and range changes within Department of Labor.

Justification:

01312A012652 BLIND & VISUALLY IMPAIRED

Appropriations and Allocations

PERSONAL SVCS	272,315	31,335
ALL OTHER	3,317	382
TOTAL	275,632	31,717

Effective date of reclass: Oct 2003  
Seven Orientation + Mobility Instructors,  
Two Regional Managers and One  
Blindness Rehab Specialist positions  
included in this initiative.

Level: Account Detail  
Yr 2 Final Approved Version  
Version: 2012-T01-LAB00

State of Maine  
Budget & Financial Management System

Date: 11/02/2015 16:28  
Report Id: BIEN - 0016  
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Changes - Appropriations/Allocations and Position Counts

Change Group: F Change Type: B Change Number: All Include: Yes One Time: Included

Emergency  
Supplemental FY 12

Emergency  
Supplemental FY 13

LAB00 DEPARTMENT OF LABOR

Change Package: F-B-927

Priority:

Include: Yes

Description: Provides funding for the approved range change for the Regional Manager positions from range 26 to range 27 and transfers All Other to Personal Services to fund the reorganization.

Justification: These positions were approved for a reorganization. The decision was made in June 2011.

01312A012652 BLIND & VISUALLY IMPAIRED

Appropriations and Allocations

PERSONAL SVCS	38,205	4,652
ALL OTHER	-38,205	-4,652
TOTAL	0	0

*Effective date of reclass: Jan 2001  
Two positions included in this initiative.*

Level: Account Detail  
Yr 3 Final Approved Version  
Version: 2012-U01-LAB00

State of Maine  
Budget & Financial Management System

Date: 11/02/2015 16:28  
Report Id: BIEN - 0016  
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Changes - Appropriations/Allocations and Position Counts

Change Group: I Change Type: B Change Number: All Include: Yes One Time: Included

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Emergency  
Supplemental FY 13

LAB00 DEPARTMENT OF LABOR

Change Package: I-B-930 Priority: Include: Yes

Description: Provides funding for the approved range change for a Rehabilitation Assistant to a Rehabilitation Counselor I from range 14 to range 19.

Justification: This reclassification was approved in 2012. Amount requested includes retro pay for state fiscal year 2012.

01312A012652 BLIND & VISUALLY IMPAIRED

Appropriations and Allocations

PERSONAL SVCS	2,864
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ALL OTHER	-2,864
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TOTAL	0
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**Maine Department of Labor  
Bureau of Rehabilitation Services  
Division for the Blind and Visually Impaired**

**Presenting Problem:** DBVI's federal and state funding is out of synch with its spending in the Vocational Rehabilitation program and we have become reliant on discretionary grants to fill the gap. We cannot continue to base our operating budget on one-time funds; this is not a sustainable solution to meeting the needs of our blind and visually impaired residents. The chart below provides an estimated breakout of revenue, expenditures and shortfall:

<b>Federal VR Grant</b>	<b>=</b>	<b>\$ 2,817,000</b>
<b>State Matching Funds</b>	<b>=</b>	<b>\$ 935,386</b>
<b>Total Revenue</b>	<b>=</b>	<b>\$ 3,752,386</b>
<b>Projected Expenditures FFY 2016</b>	<b>=</b>	<b>\$ 4,771,804</b>
<b>Estimated Remaining FFY 2015 Federal Re-allotment</b>	<b>=</b>	<b>\$ 350,000</b>
<b>Pending SSA Reimbursement Funds</b>	<b>=</b>	<b>\$ 274,389</b>
<b>Estimated FFY 2016 Shortfall</b>	<b>=</b>	<b>(\$ 395,029)</b>

**Proposed Re-alignment Plan:**

- Direct delivery of services to individuals with visual impairments is a priority and we will do everything possible to avoid waiting lists for services.
- We must maintain blindness rehabilitation expertise in all service delivery.
- We want to avoid staff layoffs as much as possible and take steps to decrease personnel costs early in the Federal Fiscal Year to significantly reduce this potential in the future.
- Positions are vacant but not eliminated, allowing them to be filled if revenue improves.
- We will continue to use federal re-allotment funding for a gradual balancing of revenue and expenditures over the next two years, and for one-time initiatives thereafter.
- We will continue to use SSA funds as a revenue source, which will increase as more people become competitively employed through DBVI assistance.

**Proposed Re-alignment Milestones:**

<b>When</b>	<b>What</b>	<b>Anticipated Impact</b>
August 2015	Freeze Two Vacant Positions	\$120,000 savings
October 2015	Freeze One Vacant Position Reduce Management Structure – 1.5 positions	\$218,000 savings
October 30, 2015	FFY 2015 Final Accounting	Re-allotment Carryover
October 2015 – November 2015	Additional Administrative Cost Reductions – phones/space/travel	\$ 20,000 savings
July 2015 – January 2016	Aware Client Case Costs Analyzed and Efficiencies Achieved	\$ 80,000 savings
September 2015 – January 2016	Homemaker/IL Analysis and Plan for Alignment with Future WIOA Requirements and Service Improvements Completed	TBD
October 2015 – March 2016	Contracts Analyzed, Service Needs Determined and Improvement Plan Completed RFP's Issued	TBD

**Maine Department of Labor  
Bureau of Rehabilitation Services  
Division for the Blind and Visually Impaired**

**Date:** September 16, 2015  
**Re:** Response to the SRC regarding DBVI Financial Concerns

**HISTORICAL:**

**Questions:**

1. When were issues with budget discovered?
2. How were the budget issues discovered?
3. Can you please give us a timeline of events leading up to the current situation?
4. To what extent has RSA been informed of the DBVI situation?

**Response:** Issues with DBVI's budget were discovered in late June when the projections for next year's budget were underway, including calculating how much additional allotment could be requested. At that point, DBVI realized that it would be using up its base federal allotment before the new grant award was expected to be available on October 1<sup>st</sup>. Historically, DBVI has had sufficient grant funds that were actually carried over into the next federal fiscal year, but this changed sharply as costs rose and funding was cut, including federal sequestration. The availability of re-allotment funds and the state budgeting system made it difficult to identify just how out of synch DBVI's expenditures were. Once DBVI was alerted to this, meetings were held in late July and August with the Commissioner's Office and the Department of Administrative and Financial Services (DAFS) to verify the circumstances and begin to identify corrective actions that could be taken.

RSA has been informed via email and a telephone call with James Billy, DBVI's RSA liaison; DBVI expects to have further discussion with the RSA team in the next few weeks.

**PRESENTING ISSUE:**

**Questions:**

1. What is the status of the clients who were affected by the FFS provider reduction in July?
2. Have services been restored?
3. What will services look like moving forward, could you speak to the "homemaker" clients and the "competitive" clients?

**Response:** DBVI staff have been in touch with the clients and providers who were concerned about service reductions in July. All services that are necessary to achieve Individualized Plans for Employment will be provided.

We will continue to serve clients who have both homemaker and competitive employment goals until the new regulations under WIOA are released. We are hopeful that there will be sufficient time in the new rules to transition individuals from homemaker services if that outcome becomes no longer allowable in the VR program, but services to those individuals is a very big concern in the long term.

## **PROCEEDURAL:**

### **Questions:**

1. Please explain the role of the various positions in looking at DBVI annual budget:
  - DOL Commissioner
  - BRS Director
  - SIQA Director
  - RSA
  - DOL Finance office
2. Given these recent budget issues what will BRS/DOL be doing differently in the future?

**Response:** The DBVI Director works with the DAFS Service Center (finance staff) to develop DBVI's budget and monitor it on a monthly basis. Through at least quarterly meetings, it is reviewed and overseen by the DOL Commissioner and the BRS Director as the department's overall state budget management. The DBVI budget is not in the purview of the SIQA Director beyond general attendance at the fiscal review meetings. RSA's role is to receive and review DBVI fiscal reports twice a year.

It is important to note that, due to turnover, DBVI was without a DAFS Financial Analyst for approximately 12 months out of the last 18 months. Additionally, BRS was without a director for about 8 months in this same period. Getting these positions filled and trained will be critical to get back on track with the monitoring and support that was previously in place. Furthermore, in the past, the general fund and federal fund have been treated as separate silos; the Service Center will be looking at them as combined available funds going forward.

**REALLOTMENT:****Questions:**

1. How long has the practice of using "reallotment funds" for case services been practiced by DBVI?
2. What was different in FY 15 which brought the current issues to light?

**Response:** Case services and payroll are the two largest line items of the DBVI budget, so reallotment funds have been used for case services regularly. These funds may be spent on any Title I activity and must be spent within a two-year period. FFY 15 was the first year that DBVI was not able to finish the fiscal year without using reallotment funding, which brought the issues to light. Those discretionary funds are not ongoing and the amounts may vary; therefore, they need to be dedicated to specific, short-term activities and not operational costs. Making this shift is a priority of the Commissioner's Office.

**CENTRAL OFFICE:****Questions:**

1. What is timeframe for John McMahon return?
2. Will there be an "Acting Director" appointed?

**Response:** We do not have a date for John McMahon's return. We will be appointing Karen Fraser as Acting Director in the interim.

**CONSOLIDATION:****Questions:**

1. Is DOL in the process of looking at consolidating DBVI and DVR into one DSU?
  - If yes, where is DOL in the process of consolidation?
  - Has RSA been consulted, as of yet, about a consolidated program?
  - What would a consolidated program look like for the current clients of DBVI?

**Response:** DOL is not in the process of consolidating DBVI and DVR into one DSU, but DBVI's serious fiscal issues are prompting that all solutions be considered. Our priority is the direct provision of services to people who are blind and visually impaired by qualified staff. We are looking for efficiencies, particularly in administrative functions. Should DOL go in the direction of consolidation, RSA will be consulted and proper procedures followed as part of the State Plan and public input.

**CONTRACTS:****Questions:**

1. Describe how funds are allocated to contracts?
2. How does DBVI determine what funds go to contracted services verses direct case service?
3. Has a cost analysis been done for similar services (i.e. VRT, O&M, etc.) whether the services are being provided under a contract, a fee for service provider, a state employee, or at the Immersion Center, etc.?
  - If available please provide the cost analysis data.

**Response:** DBVI follows state purchasing rules and procedures when developing contracts, which begins with a Request for Proposals. The RFP describes the scope of services needed. We need to have statewide coverage for our direct blindness specialty services, so we use both fee-for-service and contracts to achieve this when a state employee is unable to provide what an individual requires. With the establishment of an immersion center in Maine, DBVI will be looking at the costs of services provided there, as well as those through contracts and fee-for-services, to determine what is cost effective, but most importantly what is necessary to meet the needs of individuals who are blind and visually impaired throughout the state. We do know that for those who can participate in the immersion opportunity, the case costs – as compared to attending an out-of-state center – and the case length for rehabilitation – as compared to individually provided services – will be improved.

**Questions:** Iris Network: Immersion Center

1. How much money has been contracted to Iris Network for FY 2016?
2. Please provide a breakdown of the Iris Contract for FY 2016?
3. What percent of the contract with Iris is dedicated to the Immersion Center?
4. How many case services dollars were diverted from direct client services to the Immersion Center in FY 2015?
5. How many case services dollars are expected to be diverted from direct client services to the Immersion Center in FY 2016?

**Response:** The current contract with the Iris Network is for \$1,489,102 for FY 2016. This contract includes both funding to provide both VR and IL services:

Independent Living Services = \$260,856 State Funds  
\$225,000 Federal IL Grant

Vocational Rehabilitation = \$241,470 State Funds (VR match)  
\$761,776 Federal VR Grant

No case service dollars were diverted from direct client services to the Immersion Center in FY 2015. The Immersion center construction has been funded by a dedicated grant applied for specifically for this project and that is a pass-through from the Department to the Iris Network. DBVI is anticipating that with a rolling admission schedule that there will be approximately 6 DBVI clients at the Immersion Center at any given time. This is not a “diversion” of case service dollars, but a way to provide direct blindness rehabilitation services in an intensive alternate approach. With the receipt of assistance in a shorter period of time and immediate support upon returning to a person’s local community, we anticipate more rapid attainment of IPE goals and a reduction in recidivism that will ultimately allow DBVI to serve more individuals in the long-term.

**CLIENT CHOICE:**

**Questions:**

1. Does the DSU have concerns that with the budget issues clients are going to be funneled into contracted services and not given a choice of service providers?
2. What processes are in place to assure client choice?

**Response:** Informed client choice is the cornerstone of the VR program and DBVI will always adhere to this practice, noting that regulations also require that services be necessary and as cost effective as possible. Due to the unique specialty of blindness rehabilitation services, there is an ongoing challenge to recruit and retain qualified staff, whether employed by DBVI or outside of state government. When available, DBVI will work directly with its clients in the development of IPE’s to become informed of any choices that are possible, and then provide support to make informed decisions, which may include individual participation in the cost of their services as allowed by the regulations.

**SRC:**

**Questions:**

1. Why wasn’t SRC notified of the current budget issues?
2. As the mandated partner, how do you see DOL/BRS and the SRC moving forward together to resolve these issues?

**Response:** It is not known why the SRC wasn’t notified of the current budget issues and the Department acknowledges this error. The budgeting system and federal/state process pose challenges in clarifying exactly DBVI’s fiscal

situation. As DBVI comes to final determination about its fiscal shortfall in FFY 2015 and forward, it will keep the SRC informed and seek input regarding DBVI's responsibilities in serving individuals who are blind and visually impaired in Maine. Specifically, the SRC plays an important role in developing DBVI's State Plan, evaluating the effectiveness of the VR program, gathering public input and advising the agency. DBVI will work with the SRC to improve the data provided at SRC meetings and seek SRC representatives to participate in DBVI initiatives that are undertaken to improve services.